



**Date:** December 3, 2013

**To:** Thomas J. Bonfield – City Manager  
**Through:** W. Bowman Ferguson – Deputy City Manager  
**From:** Marvin G. Williams – Public Works Director  
**Subject:** Upper Neuse River Basin Association (UNRBA) Nutrient Credit Project

### **Executive Summary**

The UNRBA is seeking additional funding for a nutrient credit project that will provide credit value to additional stormwater control measures and other nutrient removal practices. The credit value of these additional measures and practices is needed for local governments to determine efficient and cost-effective methods of achieving the Falls Lake nutrient reductions. The funding for the project has been divided between the UNRBA member governments, with the City of Durham providing \$50,000.00. This amount will be matched by the City of Raleigh. The Administration recommends that the City Council authorize the City Manager to provide \$50,000.00 to the UNRBA for the nutrient credit project.

### **Recommendation**

The Administration recommends that the City Council authorize the City Manager to provide \$50,000.00 to the Upper Neuse River Basin Association for the purpose of developing credits for additional stormwater control measures and other nutrient removal practices.

### **Background**

The NC Department of Environment and Natural Resources (DENR) develops documents that describe the allowed nutrient credit amount for a variety of stormwater control measures. This document is updated infrequently and, generally, for one or two types of measures at a time. The magnitude of the Falls Lake nutrient reductions, and the relatively short timeline of both Stages I and II of the nutrient reduction strategy, require the Falls Lake local governments to identify and implement projects at an accelerated rate. However, a number of available stormwater control measures that may be suitable do not currently have nutrient credits assigned to them, and DENR is unable to provide this information in a timely fashion. This makes it impossible to identify the most cost-effective practices and also match practices with the available land opportunities. The UNRBA Nutrient Credit Project will evaluate stormwater control measures and other nutrient removal practices that are not currently documented by DENR for nutrient credits. DENR has committed to providing \$50,000.00 to develop nutrient credits under this project.

Therefore, DENR staff will work cooperatively with the UNRBA throughout the development process.

Funding for the Nutrient Credit Project will include most of the UNRBA member governments, as well as DENR. The available funding from the UNRBA member governments is based on a \$150,000.000 matching funds contribution by the City of Raleigh. Total funding for the project is \$351,680.00. A breakdown of the funding for this project, including matching funds, is provided in Attachment 1. The draft Scope of Work is provided in Attachment 2.

#### **Issues and Analysis**

If the City Council does not authorize a \$50,000.00 contribution to the Upper Neuse River Basin Association, a matching amount of \$50,000.00 by the City of Raleigh would also not be available for this project, resulting in a total project loss of \$100,000.00. The scope of the Nutrient Credit Project would decrease, providing credits for fewer stormwater control measures or other nutrient removal practices. This negatively affects the ability of the City of Durham, Public Works Department to develop a cost-effective strategy for meeting the Falls Lake nutrient reductions.

#### **Alternatives**

The alternative is to deny the motion and not provide the UNRBA with a \$50,000.00 contribution. The UNRBA project would then continue with \$100,000.00 less in funding due to a loss of matching funds in addition to the City contribution. This would result in fewer evaluations of credits from stormwater control measures and other nutrient removal practices, and fewer options available to the City of Durham to meet the Falls Lake nutrient reductions in an efficient and cost effective manner.

#### **Financial Impact**

The City of Durham contribution of \$50,000.00 would be funded from the Public Works budget, Organization Code 5500L041 and Object Code 728600. The City of Raleigh is matching the City of Durham contribution with \$50,000.00 to the Nutrient Credit Project.

#### **SDBE Summary**

Not applicable

#### **SDBE Requirements**

Not applicable